**MEMORANDUM TO:** Mayor and City Council

Planning Commission

VIA: Tony Tomasello, City Manager

**FROM:** Kirk Eby, GIS Planner

**DATE:** June 1, 2018

**SUBJECT:** Second Supplemental Staff Analysis:

Application SDP-7712-2017

(Kentlands Square Infill Sites, 84-96 Main Street)

## APPLICANT/OWNER

Saul Holdings Limited Partnership 7501 Wisconsin Avenue, Suite 1500 Bethesda, MD 20814

## **ATTORNEY**

Robert Dalrymple Linowes and Blocher LLP 7200 Wisconsin Avenue, Suite 800 Bethesda, MD 20814

## <u>ENGINEER</u> <u>ARCHITECT</u>

Gary Unterberg Rodgers Consulting, Inc. 19847 Century Boulevard, Suite 200 Germantown, MD 20874

## TAX ACCOUNT NUMBER:

Silver Spring, MD 20910

1300 Spring Street, 4th Floor

Brian O'Looney

Torti Galls + Partners

Tax Sheet: FS 13 16-09-03203494

## **LEGAL REFERENCE:**

**TAX MAP REFERENCE:** 

County Plat: 20505 (Plat 109 Kentlands)

Parcel L. Block Q. Kentlands

## **REQUEST**

Saul Holdings Limited Partnership has submitted Schematic Development Plan (SDP) application SDP-7712-2017.<sup>1</sup> This plan is in accordance with Sketch Plan Z-262, known as the Kentlands, approved by Ordinance O-3-89, and the subsequent sketch plan amendment Z-262(A) approved by Ordinance O-08-91<sup>2</sup>. The 1.8-acre area that is the subject of this application is part of the automobile-oriented Kentlands Square Shopping Center. The plan proposes three additional commercial infill buildings totaling 16,000 square feet along the private drive aisle connecting Kentlands Boulevard and Main Street. The proposed plan includes a drive-thru for the southernmost Site E, which is the focus of this Second Supplemental Staff Analysis and associated Planning Commission Recommendation and Mayor and City Council Policy Discussion.<sup>3</sup>



Location

## **GENERAL INFORMATION**

## **LOCATION:**

The subject site is an approximately 1.8-acre area of MXD-zoned land located along the private driveway that connects 195 Kentlands Boulevard (Mattress Firm) with 84-96 Main Street (Chipotle/Cold Stone). To the east and north are existing retail areas in the Kentlands Square

<sup>&</sup>lt;sup>1</sup> Exhibit #01

<sup>&</sup>lt;sup>2</sup> Please reference Exhibit #33: Preliminary Background Report, for additional background information including Zoning & Site Plan History, Public Facilities, and the application submitted for public hearing.

<sup>&</sup>lt;sup>3</sup> Please reference Exhibits #54 (Staff Analysis) and #84 (Supplemental Staff Analysis) for additional information about and analysis of the applications submitted for public hearing and in response to the first policy discussion meeting, respectively.

Shopping Center; to the west is a standalone restaurant and additional retail in Kentlands Square; and to the south is the Market Square Shopping Center, all of which are zoned MXD.

### **CODE REQUIREMENTS FOR REVISIONS TO SDP APPLICATIONS:**

Following the most recent Mayor and City Council Policy Discussion on April 16, 2018, the applicant has submitted a second revision to the subject SDP application. Section 24-160D.9.(b) of Chapter 24 (Zoning) of the City Code stipulates that changes to active SDP applications in the MXD Zone follow the provisions of § 24-198(c) of the Code. Section 24-198(c)(2) states that "plans may be amended at any time" and, specifically under § 24-198(c)(2)(ii), "at any time after planning commission review and prior to council action by resubmission to the planning commission for further review and recommendation." Since the Council took no action at its April 16, 2018 meeting, the second revision to the plan is being resubmitted to the Planning Commission for further review and recommendation on the changes made to Site E and the drive-thru layout, in conformance with § 24-198(c)(2)(ii).

## PROCEDURAL HISTORY:

A joint public hearing before the Mayor and City Council and the Planning Commission was held on October 16, 2017.<sup>4</sup> In response to comments made during the hearing, the Applicant submitted two statements<sup>5</sup> and made minor revisions the site plan. On December 6, 2017, The Planning Commission held its recommendation meeting on SDP-7712-2017. The Planning Commission discussed several aspects of the plan, and voiced its support for the proposed drive-thru, though noted that a re-configuration was desirable.<sup>6</sup> The Commission recommended approval of the SDP, adding one condition to the two recommended by Staff, requiring that the proposed drive thru aisle for Site E not cross any sidewalks.<sup>7</sup>

During the January 16, 2018 Mayor and City Council Policy Discussion, the Council expressed its desire to see how the applicant would satisfy the Planning Commission's proposed condition regarding the drive-thru, and voted to re-open its record indefinitely to allow the applicant to revise the drive-thru design.<sup>8</sup> On February 20, 2018, the applicant submitted a revised site plan with a modified drive-thru layout for Site E.<sup>9</sup> The Planning Commission on March 9, 2018 recommended approval of the revised plan during its rescheduled March 28, 2018 meeting.<sup>10</sup>

During the April 16, 2018 Mayor and City Council Policy Discussion, the Council expressed concerns about pedestrian safety, potential traffic conflicts with the redesigned drivethru layout, the future mix of retail uses, inadequate parking, and the creation of a walkable environment. A motion was made to approve the plan, but failed in a 2-3 vote. No motion was made to deny the application. Following a request by the applicant, the Council voted to re-

<sup>&</sup>lt;sup>4</sup> Exhibit #43

<sup>&</sup>lt;sup>5</sup> Exhibit # 37 and #42

<sup>&</sup>lt;sup>6</sup> Exhibit #55

<sup>&</sup>lt;sup>7</sup> Exhibit #55

<sup>8</sup> Exhibit #90

<sup>&</sup>lt;sup>9</sup> Exhibit #61

<sup>&</sup>lt;sup>10</sup> Exhibit #85

open its record indefinitely to allow the applicant to revise the design of the drive-thru layout for a second time.<sup>11</sup> During its April 18, 2018 meeting, the Planning Commission also voted to reopen its record on SDP-7712-2017 indefinitely to accommodate a second redesign.<sup>12</sup>

On May 15, 2018, the applicant submitted a second revised site plan with a modified drive-thru layout for Site E.<sup>13</sup> On May 16, 2018, the Planning Commission voted to close its record on SDP-7712-2017 at 5 PM on May 25, 2018, and scheduled its recommendation on the revised plan for its June 6, 2018 meeting.



SDP Second Revised Rendered Site Plan, Exhibit #100

At the time of the Planning Commission's record closing on May 25, 2018, there are 101 exhibits in the record. Following the submission of the May 15 revised site plan layout, the applicant submitted a full revised set of plans for the Schematic Development Plan (SDP) on May 25, 2018, 4 which replaces the May 15 submission. The May 25 SDP set includes a correction to the limits of the SDP, to reflect the changes made to the adjacent secondary drive aisle. In addition to the revised SDP plan set, the Applicant and design team have submitted a

<sup>&</sup>lt;sup>11</sup> Exhibit #92

<sup>&</sup>lt;sup>12</sup> Exhibit #93

<sup>13</sup> Exhibit #94

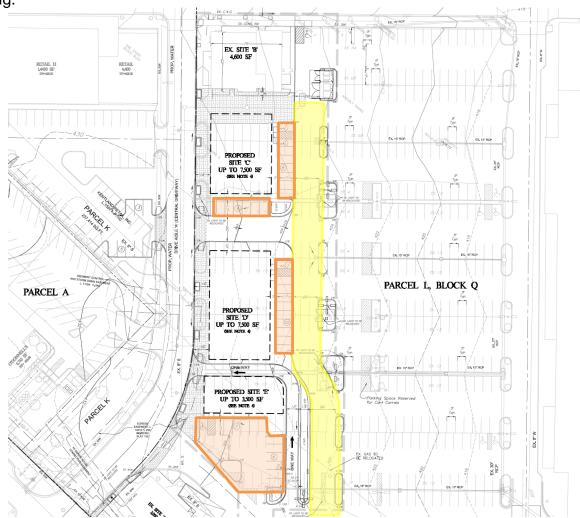
<sup>14</sup> Exhibit #99

rendered site plan, drive-thru exit movement plan, and a statement summarizing the changes made to the May 25 plan set, as compared to the first plan revision submitted on February 20.15

## REVISED SCHEMATIC DEVELOPMENT PLAN SDP-7712-2017 PROPOSAL:

#### **Initial Plans**

As stated, the Applicant submitted an application seeking to establish a new schematic development plan for this portion of the automobile-oriented shopping center, to make minor site changes, and to add three additional commercial infill sites totaling 16,000 square feet, in accordance with § 24-160D.9.(b). The initial plan<sup>16</sup> showed the drive-thru lane for Site E crossing the new pedestrian way along the private central drive aisle. While the first revised plan<sup>17</sup> showed the drive-thru lane avoiding this crossing by being re-located to the rear of Site E, the drive-thru lane did separate some of the parking in close proximity to the proposed building.

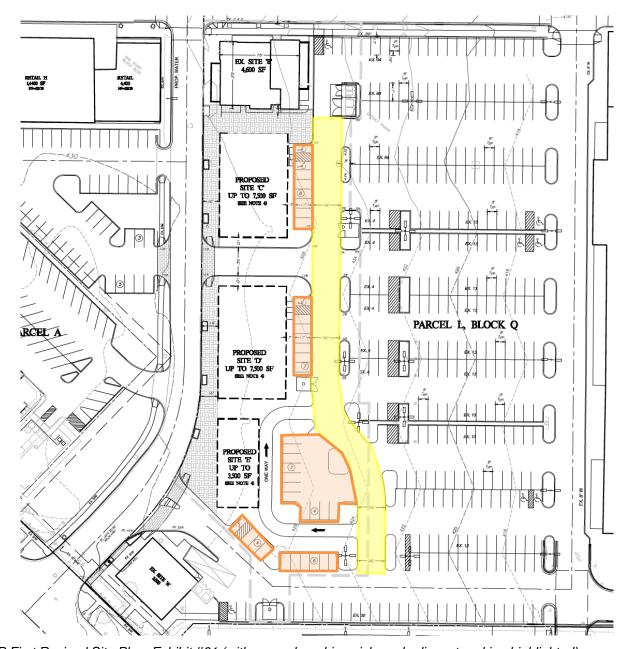


SDP Initial Site Plan, Exhibit #38 (with secondary drive aisle and adjacent parking highlighted)

<sup>15</sup> Exhibit #98

<sup>&</sup>lt;sup>16</sup> Exhibit #38

<sup>&</sup>lt;sup>17</sup> Exhibit #61



SDP First Revised Site Plan, Exhibit #61 (with secondary drive aisle and adjacent parking highlighted)

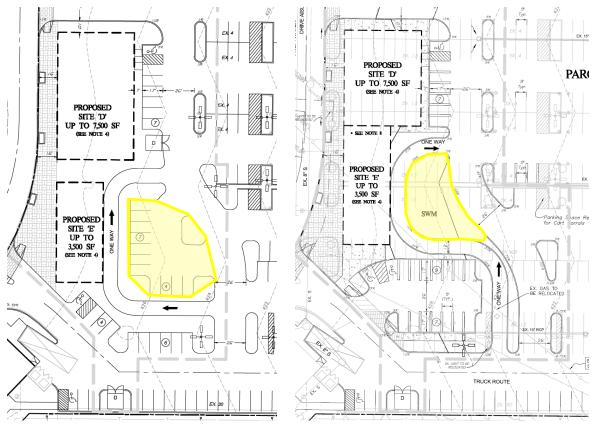
#### Current Revised Site Plan<sup>18</sup>

The current revised plan<sup>19</sup> being reviewed maintains the drive-thru location to the rear of Site E, but the relocated drive-thru lane avoids both the central drive aisle and the parking area adjacent to the proposed building, which helps to separate Site E operationally from the other Sites. This "operationally independent" aspect of Site E's current redesign directly addresses the Council's concerns about potential traffic conflicts and pedestrian crossings from the parking lot, as the drive-thru has been further isolated from pedestrians, adjacent parking, and other traffic circulation routes. Specifically, the drive-thru meets the best practices of the

<sup>18</sup> Exhibit #61

<sup>&</sup>lt;sup>19</sup> Exhibit #99, Sheet 2

Technical Memo presented to the Planning Commission,<sup>20</sup> as the drive-thru lane is located to the service side of the building rather than the primary frontage, does not connect to the public street or primary central drive aisle, is separated from parking and other drive aisles by a curb, has a stacking length of 200 feet that can accommodate ten cars, and has its access point located well away from the major nearby intersections. Additionally, the redesigned configuration physically separates the associated customer parking from the drive-thru lane, eliminating the likelihood that customers will need to walk across the drive-thru lane to reach Site E. Lastly, access to the adjacent parking is via one entrance only and the area adjacent to the drive-thru lane (highlighted in yellow below) has been changed from parking spaces to landscaping and stormwater management, further reducing potential pedestrian conflicts.



SDP First Revised Site Plan, Exhibit #61

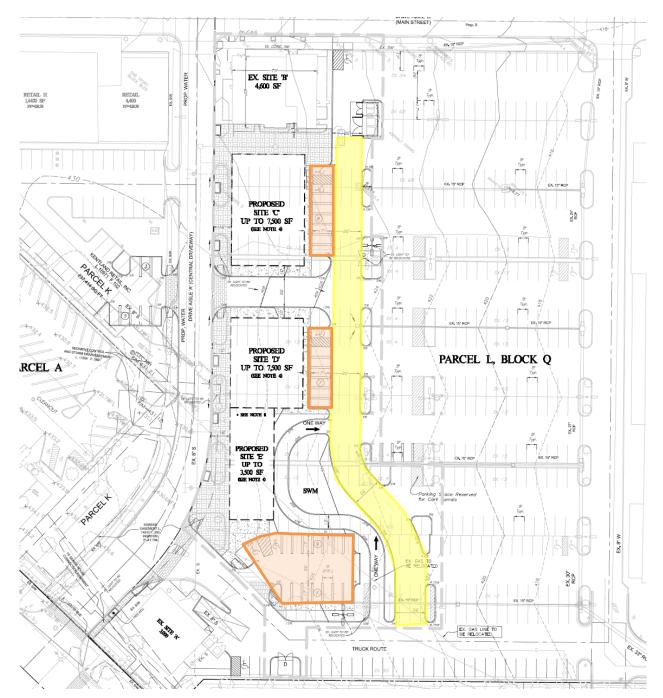
SDP Second Revised Site Plan, Exhibit #99, Sheet 2

The current site plan design retains the secondary drive aisle in the parking lot (highlighted on the next page) and the features of the first revised plan for Sites C and D, but includes changes for Site E. Specifically, the build-to line for Site E has been extended northward and the drive-thru lane has been re-routed to avoid the nearby convenience parking. The larger build-to line for Site E is necessary to allow additional flexibility in the placement of the drive-thru window, while allowing the drive-thru lane to meet the minimum best practices standards<sup>21</sup> of stacking for ten cars and a length of 200 feet. Although the current site plan design shows the build-to lines for Sites D and E abutting each other, Note 6 on the site plan confirms that there will be a separation between the buildings, to be determined at final site

<sup>&</sup>lt;sup>20</sup> Exhibit #97

<sup>&</sup>lt;sup>21</sup> Exhibit #97

plan. Consistent with the first revised plan, the drive-thru lane begins and ends in the parking lot's secondary drive aisles adjacent to the rear of the three new infill sites, and does not cross the new sidewalk along the private central drive aisle, preserving the proposed pedestrian realm improvements.



SDP Second Revised Site Plan, Exhibit #99, Sheet 2 (with secondary drive aisle and adjacent parking highlighted)

The current site layout design also retains preferred elements such as opportunities for outdoor seating, adjacent convenience parking, consistent connectivity to Site D, and a strong building edge adjacent to the new sidewalk and pedestrian realm.

Consistent with both the initial and first revised plans, the current revised plans indicate a maximum build-to line for each building on each proposed site, allowing design flexibility in response to market demand and tenant needs. While the final footprints for each site will be determined as part of final site plan approval(s), each site provides adjacent convenience parking, opportunities for outdoor seating and similar amenities, and an area for trash and recycling collection, further supporting the success of each future tenant business. The proposed infill sites will replace existing parking areas with buildings, sidewalks, landscaping, and stormwater treatment areas utilizing environmental site design.

Consistent with the initial and first revised site plan drawings, the second revised site plan shows the three proposed infill sites located along the private central drive aisle, with an adjacent new sidewalk and pedestrian realm filling the gap between the Chipotle/Cold Stone and Mattress Discounters buildings. As with the initial and first revised plans, the proposed sidewalk will receive a brick paver treatment, tree planters, and special brick crosswalks for all parking lot entrances; however, staff again notes that the proposed plan is not using the sidewalk to create a "commercial main street," but rather is supporting the proposed increase in commercial intensity along the drive aisle, as well as providing a better pedestrian experience and connection to the infill buildings and adjacent commercial areas.

Staff concurs the Applicant's Response and Supplemental Statements submitted with the first revised plans, <sup>22</sup> which state that the inclusion of a drive-thru option on Site E is compatible and harmonious with the surrounding existing and planned land uses because it is an accessory use complementary to commercial businesses in automobile-oriented shopping centers and is reflective of current competitive market trends, as noted in two recent retail industry articles that discuss the role of drive-thrus in re-invigorating aging retail strip centers. <sup>23</sup> In its March 28, 2018 Communication: Planning Commission (CPC), the Commission noted that a drive-thru is a compatible use that supports the economic viability of the automobile-oriented regional shopping center and that the proposed pedestrian improvements will enhance the walkability of the larger community. <sup>24</sup> The Applicant also notes in that Response Statement that the trend of adding convenience drive-thrus and stand-alone buildings to retail centers has been occurring over the past decade, and began with larger pharmacies relocating from in-line tenant spaces to stand-alone buildings with drive-thrus. <sup>25</sup> The Applicant further notes in that Response Statement that a drive-thru is not prohibited within the commercial area of Kentlands nor is it prohibited within the MXD Zone.

## **Traffic and Parking Impacts**

In response to Council comments, the current plan has re-configured the drive-thru lane and parking adjacent to Site E so that Site E can essentially operate independently from the other proposed sites and the Lowes surface parking lot. Although not a separate lot, the on-site parking adjacent to Site E of 16 spaces would satisfy the parking required under § 24-219(b) of 1 space per 225 square feet of retail, given the maximum building size of 3,500 square feet for Site E. The drive-thru lane has been separated from the adjacent parking, its access point is

<sup>&</sup>lt;sup>22</sup> Exhibit #37 and #62

<sup>&</sup>lt;sup>23</sup> Exhibit #44 and #45

<sup>&</sup>lt;sup>24</sup> Exhibit #85

<sup>&</sup>lt;sup>25</sup> Exhibit #37, pages 2-3

located away from the entrance to the adjacent parking, and its exit point is located along the secondary drive aisle, approximately midway between the two primary entrances into the parking lot to the north and south, which provides several alternatives for exiting through the parking lot to the surrounding major roads. The Applicant has included an exhibit showing these multiple exit movements from the drive-thru lane.<sup>26</sup>



SDP Drive-thru Exit Movements, Exhibit #101

The current site plan design separates the drive-thru lane from other traffic circulation routes, with customers exiting into a secondary drive aisle in the parking lot. Drive-thru patrons will use one of the primary entrances into the parking lot, most likely adjacent to Mattress Discounters or between Sites B and C (highlighted circles above), to access the drive-thru lane and to leave. Because the changes proposed in this second plan revision are minor, staff again

<sup>&</sup>lt;sup>26</sup> Exhibit #101

concurs with the conclusions of the original Traffic Impact Analysis<sup>27</sup> and Applicant's Response Statement,<sup>28</sup> that the proposed infill sites will have a minimal impact on traffic and parking. As noted in the previous reports, while the new buildings will affect access from the drive aisle to the Lowe's parking lot, overall access to the Shopping Center via multiple entrances will be maintained.

Due to the minor changes in the drive-thru layout, the two updated reports from Wells and Associates submitted with the first plan revision are still applicable, and demonstrate that the traffic circulation and on-site parking are adequate to support the proposed infill sites.<sup>29</sup> The revised parking chart shows a decrease of two spaces as compared to the first revision (11 spaces as compared to the initial site plan), with a surplus of 72 spaces rather than the 74 shown in the first revised plan (and compared to the 83 shown in the initial plan).<sup>30</sup>

10. Parking (for overall count, Parcel K and Parcel L): ★ Required: 1 space per 225 SF building area Previously approved 1 space/1,000 sf outdoor garden center Outdoor Garden 'A': 9,160 sf

Outdoor Garden 'C': 17,733 sf 26,893 sf = 27 spaces required for garden center

Total building area = 381,842/225 = 1,697 required for building area 1,697 + 27 = 1,724 10% reduction if over 200,000 SF 1,724 x 0.10 = 172 1,724 - 172 = 1,552 spaces required

Provided: 1,796 existing spaces

-172 spaces for sites 'C', 'D' and 'E'

1,624 spaces provided

1,552 spaces required

72 spaces surplus

- 11. All pedestrian walks (except where located on city property), conservation easement, buffers to maintained by the developer.
- Uses include office, restaurant, retail, personal service businesses, child care, bank and integrated light manufacturing.
- ★ Numbers noted are based on the original Site Plan area, includes Parcel 'K' and Parcel 'L'. Total: 33.8 acres±.

SDP Second Revised Site Plan, Exhibit #99, Sheet 1

<sup>&</sup>lt;sup>27</sup> Exhibit #03

<sup>&</sup>lt;sup>28</sup> Exhibit #37

<sup>&</sup>lt;sup>29</sup> Exhibit #63 and #64

<sup>&</sup>lt;sup>30</sup> Exhibit #99. Sheet 1

## STAFF FINDINGS, ANALYSIS, AND RECOMMENDATIONS

## **SCHEMATIC DEVELOPMENT PLAN SDP-7712-2017 FINDINGS:**

Approval of Schematic Development Plan SDP-7712-2017 and its subject parcel (Property) by the City Council is dependent upon the findings required under § 24-160D.10(b) of the City Code. The following outlines the required findings and justifications for a City Council approval of schematic development plan application SDP-7712-2017:

Sec. 24-160D.10. – Findings Required

- (b) The city council shall approve a schematic development plan only upon the finding that:
- (1) The plan is substantially in accord with the approved sketch plan; and

Staff notes that this interim development plan falls within the 1991 Sketch Plan amendment approval for Z-262(A), which allowed up to 1,400,000 square feet of non-residential use in the overall Kentlands subdivision.<sup>31</sup> Staff concurs with the Applicant's Justification Statement that application SDP-7712-2017 is consistent with the 2003 approval of SDP-03-005,<sup>32</sup> which was presumptively substantially in accord with the approved Z-262(A) sketch plan. Additionally, based on information contained in the City's records and GIS layers, the Kentlands subdivision currently has an estimated 1,052,572 square feet of non-residential uses, well below the cap established by Z-262(A). Also, the proposed uses of office, restaurant, retail, personal service, bank, childcare, and integrated light manufacturing are included within the approved "industrial/research/office/commercial" uses of Z-262(A). Thus, the SDP-7712-2017 application is substantially in accord with the approved Z-262(A) sketch plan.

(2) The plan meets or accomplishes the purposes, objectives and minimum standards and requirements of the zone, and other requirements of the City Code; and

Because application SDP-7712-2017 includes an already-developed portion of the Kentlands subdivision, the purposes, objectives, and minimum standards and requirements of the MXD zone have already been satisfied as part of the prior approvals of the rezoning and sketch plan applications, as noted in the associated ordinances.<sup>33</sup> Thus, the current application SDP-7712-2017 reaffirms those previous findings and also satisfies this finding.

### Sec. 24-160D.1. Purposes and objectives of zone.

(a) Application SDP-7712-2017 complies with the governing Neighborhood 4 Land Use Plan of the 1988 Master Plan and serves as an interim use as envisioned in the non-applicable 2008 Kentlands Boulevard Commercial District Special Study Area.

<sup>31</sup> Exhibit #16

<sup>32</sup> Exhibit #02

<sup>&</sup>lt;sup>33</sup> Exhibit #15 [Rezoning/Sketch Plan] and Exhibit #16 [Sketch Plan Amendment]

- (b) Application SDP-7712-2017 represents the next phase of the continued orderly development of the existing automobile-oriented Kentlands Square Shopping Center within the commercially-focused town center of Kentlands.
- (c) Application SDP-7712-2017 includes design guidelines that encourage design flexibility and coordination of architecture and signage.
- (d) Application SDP-7712-2017 enhances the commercial focus of the town center of Kentlands, as envisioned by the governing 1988 Master Plan and Z-262(A) sketch plan, while retaining the ability to be redeveloped in the future as a denser mixed-use center, as envisioned by the non-applicable 2008 Kentlands Boulevard Commercial District Special Study Area.
- (e) Application SDP-7712-2017 is an extension of the existing automobile-oriented commercial uses found in the Kentlands Square Shopping Center and will remain compatible with the surrounding land uses. The proposed drive-thru meets the standards described in the technical memo of drive-thru best practices presented to the Planning Commission.
- (f) Application SDP-7712-2017 complements the existing automobile-oriented commercial uses and site design of Kentlands Square and includes further improvements to the pedestrian realm and connectivity to surrounding areas.
- (g) Application SDP-7712-2017 improves the natural environment by adding stormwater treatment to an existing parking lot, increasing greenspace, and reducing the overall impervious area of the SDP area.
- (h) Application SDP-7712-2017 meets the requirements of the City's Adequate Public Facilities Ordinance, contained in Article XV of Chapter 24 (Zoning) of the City Code.

### Sec. 24-160D.2. Minimum location and development requirements.

Application SDP-7712-2017 satisfies the minimum location and development requirements because it is an extension of an existing automobile-oriented commercial area that was previously approved as part of sketch plan Z-262(A) under the MXD zone.

## Sec. 24-160D.5. Compatibility standards.

Application SDP-7712-2017 satisfies the compatibility standards because it is an extension of an existing automobile-oriented commercial area that was previously approved as part of sketch plan Z-262(A) under the MXD zone.

### Sec. 24-160D.6. Minimum green area, landscaping, and amenity requirements.

Application SDP-7712-2017 satisfies the green area, landscaping, and amenity requirements because it is an extension of an existing automobile-oriented commercial area that was previously approved as part of sketch plan Z-262(A) under the MXD zone.

## (3) The plan is in accord with the area master plan and any accompanying special condition or requirements contained in said master plan for the area under consideration; and

Application SDP-7712-2017 is in accord with the area master plans because it is a continuation of the mixed use development pattern envisioned in the 1988 Master Plan Neighborhood Four Land Use Plan,<sup>34</sup> as implemented by Sketch Plan Z-262 and its amendment Z-262(A). This application also serves as an interim transition between the governing 1988 Master Plan vision of a mixed-use community being created out of a gentleman's farm and the 2008 Kentlands Boulevard Commercial District Special Study Area (KCDMP) long-term vision of a denser mixed-use urban-like center being created within a suburban-scale community. Specifically, this application fits within the KCDMP frameworks of "encourage[ing] development that supports the long-term vision for the area while fulfilling short-term needs;" "maintaining a network of walkable streets, safe street crossings, attractive accessible public spaces, and buildings whose form and design contribute to an attractive street environment;" "improving conditions for pedestrians and... encouraging the efficient use of transit and parking resources;" and "promot[ing] a critical mass and broad mix of mutually supportive uses... that support the vitality of the area."35 Option B of the Charrette plans included in the KCDMP shows additional infill sites in this area of the shopping center in a pattern similar to the layout of the infill buildings in this application.

## (4) The plan will be internally and externally compatible and harmonious with existing and planned land uses in the MXD zoned area and adjacent areas; and

Application SDP-7712-2017 is compatible and harmonious with the surrounding existing and planned land uses, due to the minor impact of the proposed buildings and site changes and the complementary nature of the proposed commercial use. This application's three proposed infill sites are a natural extension of the successful compatibility demonstrated by the one infill site that was constructed as part of the prior SDP-03-005 approval. The proposed commercial infill sites are located within a larger automobile-oriented commercial shopping center, which is itself located within an area designated on the adopted Z-262(A) sketch plan as the primary commercial component (town/village center) of a mixed-use community.<sup>36</sup> The proposed extension of the existing sidewalk improves the pedestrian realm, encourages multimodal transportation choices, and provides better connectivity to the surrounding area and to retail within the shopping center. The proposed drive-thru will satisfy a market trend of increased convenience for customers, as noted in recent retail industry articles,<sup>37</sup> and will help to improve the commercial viability and competitiveness of the existing automobile-oriented center. The proposed design guidelines promote compatibility with the context of the surrounding buildings while fostering successful future businesses by retaining flexibility to respond to market demands and tenant needs. In addition, the interim timeframe of these infill sites does not preclude the longer-term KCDMP vision of redevelopment of the Kentlands Square Shopping Center as a denser urban-like mixed use center.

<sup>&</sup>lt;sup>34</sup> Exhibit #14

<sup>35</sup> Exhibit #23, page 4.4

<sup>36</sup> Exhibit #17

<sup>&</sup>lt;sup>37</sup> Exhibit #44 and #45

# (5) <u>That existing or planned public facilities are adequate to service the proposed development contained in the plan; and</u>

Application SDP-7712-2017 meets this finding by satisfying the City's Adequate Public Facilities Ordinance (APFO) for public schools, fire response time, water and sewer service, and traffic impacts. As noted in the Preliminary Background Report,<sup>38</sup> three fire stations (Stations 8, 31, and 32) provide a 10-minute response time for this property; the property is currently served by public water and sewer and has a Water Category of 1 and Sewer Category of 1 in the County's Master Plan; and no residential uses are proposed, exempting the plan from the APFO public schools test of § 24-246. The Applicant has included a Traffic Impact Analysis (TIA) (TRF-7706-2017), performed by Wells and Associates, showing an increase of 42 trips during the PM peak hour.<sup>39</sup> The TIA concludes that the proposed development will not have a significant impact on the congestion currently experienced on the surrounding roads and intersections,<sup>40</sup> and City staff has concurred.<sup>41</sup> Two additional reports from Wells and Associates,<sup>42</sup> supplemented by two updated reports,<sup>43</sup> demonstrate that the traffic circulation and on-site parking are adequate to support the proposed infill sites.

## (6) That the development staging or phasing program is adequate in relation to the provision of public facilities and private amenities to service the proposed development; and

Application SP-7495-2017 has adequate public facilities and private amenities to service the proposed additional commercial infill sites. As previously discussed, the plan proposes to improve the pedestrian experience along the drive aisle adjacent to the infill sites, and the traffic and parking impacts from the proposed development are minimal.

#### (7) That the plan, if approved, would be in the public interest.

Approval of application SP-7495-2017 is in the public interest. The application proposes to redevelop a currently underutilized parking lot area within an automobile-oriented shopping center. The proposed plan will improve the pedestrian experience and physical realm along the drive aisle, leverage access to the existing transportation networks, and create uses that complement the Kentlands Square Shopping Center and surrounding area. The proposed development will satisfy increased market demand for commercial uses, while providing more employment opportunities over the next 7-10 years. Staff further notes that commercial development often results in an increase in property and income tax revenue, helping the City continue to operate as a "pay-as-you-go" fiscally-responsible municipality, which is one of the City's FY2018 Guiding Principles.

<sup>38</sup> Exhibit #33

<sup>&</sup>lt;sup>39</sup> Exhibit #03, page 20

<sup>&</sup>lt;sup>40</sup> Exhibit #03, page 29

<sup>&</sup>lt;sup>41</sup> Exhibit #29

<sup>&</sup>lt;sup>42</sup> Exhibit #37, pages 6-7

<sup>&</sup>lt;sup>43</sup> Exhibit #63 and #64

<sup>&</sup>lt;sup>44</sup> Exhibit #02, page 13

Four of the City's FY2018 Strategic Goals are met by this application:

- Economic Development: "position Gaithersburg favorably for local investment via business expansion and/or real estate development by maintaining an attractive business environment;"
- Planning and Development: "encourage high quality, aesthetically appealing development that adheres to the City's objectives for sustainable growth;"
- Transportation: "ensure attractiveness and viability of streetscape and associated amenities," and
- Transportation: "reduce automobile dependence by facilitating multimodal transportation options"

## STAFF RECOMMENDATION

Staff re-affirms its support of the subject SDP-7712-2017 application with conditions. The second redesigned drive-thru layout reflects the changes requested by the Planning Commission during its initial recommendation meeting and addresses the concerns raised by the Mayor and City Council at their April 16, 2018 Policy Discussion meeting, while maintaining the key aspects of the plan that the Commission and Council found attractive.

Further, as noted in the Staff Analysis, the Schematic Development Plan application SDP-7712-2017 will allow an interim opportunity for economic growth at a successful retail center, while retaining the ability to implement the long-term denser mixed-use vision of the Kentlands Boulevard Commercial District Master Plan. The proposed commercial infill sites are complementary to the existing retail in the Kentlands Square Shopping Center, the adjacent commercial areas of Market Square and Main Street, and the surrounding residential neighborhoods of Kentlands and Lakelands. Correspondingly, the surrounding uses of residential, parks, and commercial are complementary to the existing Kentlands Square Shopping Center and the proposed commercial infill sites. The design guidelines for the infill sites ensure that the new buildings will be compatible with the existing shopping center buildings, yet retain flexibility to respond to market demand and tenant needs. The proposed improvements to the pedestrian experience along the drive aisle will create a better sense of connectivity to the Market Square commercial area and the residential areas to the south.

Staff recommends that the Planning Commission, based upon the evidence and testimony submitted into the record and the findings presented herein, recommend approval of Schematic Development Plan SDP-7712-2017 to the Mayor and City Council with the following conditions:

- As part of any final site plan application, Applicant must revise the limits of disturbance shown on the stormwater management plan and must provide mitigation as required by the Department of Public Works; and
- 2. As part of the final site plan approval of two infill site buildings, either separately or concurrently, the Applicant must install any incomplete pedestrian streetscape and landscape improvements along the drive aisle.